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C O N F I D E N T I A L ASUNCION 000512

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STATE FOR WHA/BSC KBEAMER

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TAGS: [PREL](#) [PGOV](#) [PA](#)
SUBJECT: LUGO'S SURPRISE VISIT TO NICARAGUA

Classified By: A/DCM Joan Shaker for reasons 1.4 (b) and (d).

¶1. (C) President-elect Fernando Lugo made a surprise visit to Nicaragua July 18 to celebrate the 29th anniversary of the Sandinista Revolution. Lugo joined Nicaraguan President Daniel Ortega, Venezuelan President Hugo Chavez, Honduras President Manuel Zelaya, and Aleida March, the widow of Ernesto "Che" Guevara, on stage to commemorate the event. Lugo applauded strong rhetoric from Ortega and Chavez praising the Sandinista Revolution and criticizing the USG's decision to reactivate the Fourth Fleet. Lugo advisors told Pol-Econ Chief that Lugo's visit took them by surprise. (NOTE: Camilo Soares, Movement Toward Socialism leader and National Emergency Secretariat minister designate accompanied Lugo on the trip. Lugo insiders believe the Venezuelan government provided the delegation with transportation to Nicaragua. END NOTE.)

¶2. (SBU) During his Nicaragua visit, Lugo spoke via phone on Chavez' "Alo Presidente" program. Lugo claimed during his conversation with Chavez that "sovereignty is non-negotiable" and that "there will no longer be any kind of imperialism in Paraguay in the 21st Century." Lugo went on to say that "God will give us the opportunity to continue to come together -- because God's paths cross -- the paths of justice, peace, and solidarity, which will lead us to a world more united and more sovereign for our countries. The Paraguayan people are a brave people -- a people heroic like the Venezuelans -- and we want to join forces to achieve Bolivar's ideal of a homeland, without borders and without exclusions, that would become a reality for our continent. We will pursue...a world more sovereign, more united, more free." When Chavez confirmed that he would attend Lugo's August 15 inauguration accompanied by a group of young Venezuelan workers, Lugo concurred, saying, "It would be fantastic (to have) a beautiful delegation of young Venezuelans in Asuncion."

¶3. (C) COMMENT: Lugo's trip to Nicaragua -- a follow-up to his previous trip to Venezuela, Bolivia, and Ecuador -- and his implicit support for Chavez' and Ortega's discourse may be an indication of Lugo's true leanings. He is increasingly prone to lofty socialistic rhetoric. However, as his closest advisors have told us that his inner circle remains in chaos, with many different ideological elements pushing and pulling for influence. A Lugo advisor told Pol-Econ Chief July 20 not to judge Lugo, as he will likely make many mistakes in these first few months. Lugo's original choice for Foreign Minister, Milda Rivarola, who resigned July 9 before even assuming the position, told DCM and Pol-Econ Chief July 23 that Lugo has not begun to define his foreign policy, and that he remains malleable. It appears that Lugo is now playing a game he's not familiar with, and without a foreign policy advisor (Lugo named Alejandro Hamed Franco as his Foreign Minister-designate only July 24- septel), Lugo did not have a safety net. Above all else, Lugo seems to be pragmatic (e.g., inclined to take advantage of what's offered

him). But in the case of this trip to Nicaragua, he may have taken Chavez' bait without fully understanding what he was getting into. END COMMENT.

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